

Capital Improvements Program

Capital Project Scheduling

The City of San Diego annually allocates funding for the construction of various capital facilities to provide public improvements for the health and safety of its citizens, and to improve the quality of urban life. This allocation is established through the Capital Improvements Program.

To differentiate between the capital-spending element of the City's annual budget and the longer-term capital financial planning process, a distinction should be drawn between the capital budget and the Capital Improvements Program.

The Capital Improvements Program (CIP) is a multiyear plan that forecasts spending for all anticipated capital projects and can be considered the link between the City's planning and budgeting functions.

The capital budget, on the other hand, represents only the first year of the CIP. The primary difference between the capital budget and the CIP is that, through the annual Appropriation Ordinance approved by the City Council, the capital budget legally authorizes expenditures during the ensuing fiscal year. The CIP includes the first-year projections as well as future projects for which financing has not been secured or legally authorized. The "future years" of the CIP are therefore subject to change.

It is essential to ensure that services and facilities are responsive to the community's needs and goals. The long-range policy implications of those services and facilities also require a program that is fully supportive of the City's basic planning objectives and development plans. The Capital Improvements Program is an important vehicle in managing growth, and in implementing the City's Progress Guide and General Plan and community plans. For this reason it is the policy of the City Council that the annual preparation of the Capital Improvements Program shall be primarily based upon the City's adopted Progress Guide

and General Plan, community plans, and growth management strategies.

Inasmuch as financial resources for the provision of capital improvements are limited, the formulation of the Program also requires utmost coordination among the various participating City departments in order to maximize the effectiveness of public investments and commitments.

In implementing this Program, the Mayor is responsible for developing and maintaining an updated inventory of long-range capital projects, which includes anticipated needs identified by participating departments. Those departments incorporate input from community planning groups and from Park and Recreation committees. Priorities are established based on factors that include enhancing safety, developing services in new and under-served communities, and reconstructing existing high-use facilities to expand services or reduce operations and maintenance costs.

The Development Services Department reviews this inventory and establishes citywide priorities in cooperation with the Mayor and in accordance with the objectives of adopted growth management strategies, community plans and the General Plan. These priorities specifically guide the annual preparation of the Annual Capital Improvements Program.

While the City Charter stipulates that the Mayor has the responsibility for the annual preparation of the six-year program, the City chooses to plan for a total of eleven years in an effort to ensure the adequate consideration of longer-range needs and goals, to evaluate funding requirements and options, and to achieve consensus on the physical development of the City.

Capital Improvements Program

Phased Funding

Over the last several years, as the City's Capital Improvements Program has grown and many revenue streams have leveled off, the City has less frequently considered the issuance of debt as a funding option. The major difference between pay-as-you-go funding and debt financing is that when a municipality chooses to finance debt, money is received in blocks and interest must be paid on that money. Therefore, it was determined that it was in the City's best interest to develop a methodology to use available cash and minimize idle bond proceeds. Phased funding is one of the techniques developed for that purpose.

Phased funding is a means by which large projects may be budgeted, appropriated, and contracted for in an efficient manner that maximizes the City's use of available funds. This method of funding allows the contract or project to be broken down into clearly defined portions, or phases, to fund on a contingent basis. That is, a single large project may be considered as a series of component tasks and contracted for by phase, making pursuit of each phase contingent on the availability of funds. The majority of the projects within the City's Capital Improvements Program are funded in this manner, which has allowed the City to better match revenue flows with actual expenditure plans.

Split Funding

Split Funding is a method by which two different revenue sources are used to fund a capital project on a percentage basis. This approach is most commonly used in the Water, Metropolitan Wastewater, and Airports Capital Improvements Programs to differentiate revenue sources that are frequently used for projects within these programs.

For example, the Water and Metropolitan Wastewater Departments account for a project's

funding by splitting the revenue source between Expansion and Replacement. The amount of the

percentage split varies based on the nature of the project. A project that will replace a water main will likely be weighted toward the Replacement revenue source, unless the new main will also increase capacity, which would increase the proportion of the Expansion revenue source. Split funding allows the Water and Metropolitan Wastewater Departments to determine the cost of expanding the system as opposed to replacing existing infrastructure.

Annual Allocations

Annual Allocations are programmed expenditures that allow the City to better plan for the expansion, renovation, relocation or replacement of facilities and equipment that have reached or exceeded their anticipated service life, provide for emergency and accelerated construction needs, and provide for capital improvement project contingency needs. This type of financial planning has also allowed the City to better address state and federal standards such as those found within the Clean Drinking Water Act as well as provide for implementation of City Council Policy such as traffic light and streetlight construction and replacement.

Capital Improvements Program

Total Project Cost

Projects typically extend beyond a given fiscal year. As such, the total project cost for a given project may include several distinct components, depending upon the scheduling of the project:

- Expended and Encumbered
- Continuing Appropriations
- Fiscal Year 2007 Budget
- Outlying Fiscal Year Projected Cost Estimate

The 11-year Capital Improvements Program presents the total project cost since project inception, including expenditures, encumbrances, continuing appropriations, Fiscal Year 2007 Budget, and outlying year projections. Any project that was initiated prior to the current fiscal year will have expenditures, encumbrances, and/or continuing appropriations. These projects may be budgeted for Fiscal Year 2007 as well as any outlying years, depending upon project scheduling. Any project budgeted to begin during Fiscal Year 2007 will have a budget for that year as well as any outlying years, depending upon project scheduling. Projects planned for Fiscal Year 2007 or beyond will have a projected cost estimate for all relevant outlying years, depending upon project scheduling. The Total Project Cost for annual allocations is generally only the current budgeted year.

Expended and Encumbered

Projects initiated prior to Fiscal Year 2007 typically have costs and encumbrances. It includes all funds that have been expended in the project as well as any contractual or other obligations shown as encumbrances. Expended and encumbered is a cumulative amount since project inception.

Continuing Appropriations

Appropriated funding approved in the budget but not expended in the budget year is handled as continuing appropriation amounts, provided expenditure is expected during the next year. Continuing appropriations are cumulative amounts of unexpended and unencumbered appropriations since project inception. Approved funds for annual allocation projects that are not expended revert to fund balance in accordance with the annual Appropriation Ordinance.

Fiscal Year 2007 Budget

The Fiscal Year 2007 budget is the programmed expenditure for the project for the upcoming budget year. This budget amount is included in the annual Appropriation Ordinance, which gives the City the authority to expend from that capital improvement project. The annual Appropriation Ordinance also provides guidance regarding the administration of the Capital Improvements Program during the course of Fiscal Year 2007. Modifications to the Fiscal Year 2007 Capital Improvements Program Budget may occur during the course of the fiscal year through City Council Action.

Outlying Year Projection

Projects that extend beyond Fiscal Year 2017 are projected based on the project scheduling and funding availability. The City is not legally bound to any projections made in Fiscal Years 2008-2017 because they are not contained within the annual Appropriation Ordinance. Revisions and refinements of project scope, cost estimates, scheduling, and funding will affect the outlying year projections.

Capital Improvements Program

Project Types

The first two digits of the CIP number also indicate the nature of the project. Generally,

project types are more specific than improvement types. The following table shows the systematic breakdown of what the two-digit codes mean.

Project Types			
11	Storm Drains – Storm Drains	41	Sewer – Pump Stations, Force Mains
12	Flood Control – Flood Control	42	Sewer – Treatment Plants, Labs and Disposal
13	Flood Control – Annual Allocations	43	Sewer – Existing
17	Storm Drains – Annual Allocations	44	Sewer – Existing
18	Storm Drains – Annual Allocations	45	Sewer – Other
20	Other Parks – Annual Allocations	46	Sewer – Existing
21	Balboa Park	52	Streets and Highways – Streets
22	Mission Bay Park	53	Streets and Highways – Bridges
23	Other Parks – Community Parks	54	Streets and Highways – Pedestrian Bridges
25	Golf Course	58	Streets and Highways – Bikeways
28	Other Parks – Community Parks	59	Streets and Highways – Miscellaneous
29	Other Parks – Community Parks	61	Traffic Control – Street Lighting
31	Buildings and Land – Airports	62	Traffic Control – Traffic Signals
32	Environmental Services – Refuse Disposal and Environmental Protection	63	Traffic Control – Median Barriers, Miscellaneous
33	Buildings and Land – Fire	64	Traffic Control – Other
34	Buildings and Land – Stadium	68	Traffic Control – Annual Allocations
35	Buildings and Land – Libraries	70	Water – Mains and Transmission Pipelines
36	Buildings and Land – Police	72	Water – Treatment/Filtration Plants
37	Buildings and Land – Miscellaneous Buildings	73	Water – Existing Facilities Improvements and Upgrades
38	Buildings and Land – Miscellaneous Facilities	74	Water – Storage, including Reservoirs and Standpipes
39	Building and Land – Economic Development and Redevelopment	75	Water – Upgrades and Improvements to Other Water Facilities
40	Sewer – Mains and Trunk Sewers		

Capital Improvements Program

Neighborhood Policing Areas

The City of San Diego has several neighborhood policing areas. Each community planning area consists of one or more neighborhoods under a Police Service Area. These neighborhoods are shown on each

detailed project map. The following table shows the neighborhoods sorted by community planning area. Some policing neighborhoods extend beyond a single community planning area; in these cases, the neighborhood is listed more than once.

Community Planning Areas and Policing Neighborhoods	
Balboa Park (BP)	East Elliott (EE)
Balboa Park	Tierrasanta
Park West	Fairbanks Country Club (FCC)
South Park	North City
Barrio Logan (BL)	Greater Golden Hill (GGH)
Barrio Logan	Golden Hill
Black Mountain Ranch (BMR)	Greater North Park (GNP)
Black Mountain	North Park
Carmel Mountain Ranch (CMR)	University Heights
Carmel Mountain	Kearny Mesa (KM)
Carmel Valley (CV)	Kearny Mesa
Carmel Valley	La Jolla (LJ)
Centre City (CC)	La Jolla
Core-Columbia	La Jolla Village
Cortez	Linda Vista (LV)
East Village	Linda Vista
Gaslamp	Morena
Harborview	Mid-City (MC)
Horton Plaza	City Heights East
Little Italy	City Heights West
Marina	Darnall
Clairemont Mesa (CM)	El Cerrito
Bay Ho	Gateway
Clairemont Mesa East	Kensington
Clairemont Mesa West	Normal Heights
North Clairemont	Oak Park
College Area (CA)	Rolando
College Area	Talmadge
Del Mar Mesa (DMM)	Webster
North City	

Capital Improvements Program

Community Planning Areas and Policing Neighborhoods, Continued

Midway/Pacific Highway (MPH)

Midway District

Miramar Ranch North (MRN)

Scripps Ranch

Mission Bay Park (MBP)

Mission Beach

Mission Beach (MB)

Mission Beach

Mission Valley (MV)

Grantville

Mission Valley East

Mission Valley West

Navajo (NAV)

Allied Gardens

Del Cerro

Grantville

Lake Murray

San Carlos

Ocean Beach (OB)

Ocean Beach

Old San Diego (OSD)

Old Town

Otay Mesa (OM)

Ocean Crest

Otay Mesa

Otay Mesa/Nestor (OMN)

Otay Mesa West

Egger Highlands

Nestor

Otay Mesa West

Palm City

Pacific Beach (PB)

Pacific Beach

Pacific Highlands Ranch (PHR)

North City

Peninsula (PEN)

La Playa

Loma Portal

Point Loma Heights

Roseville/Fleet Ridge

Sunset Cliffs

Wooded Area

Rancho Bernardo (SPV)

Rancho Bernardo

Rancho Penasquitos (RP)

Rancho Penasquitos

Sabre Springs (SS)

Sabre Springs

San Pasqual Valley (SPV)

San Pasqual

San Ysidro (SY)

San Ysidro

Scripps Miramar Ranch (SMR)

Scripps Ranch

Serra Mesa (SM)

Birdland

Serra Mesa

Skyline-Paradise Hills (SPH)

Bay Terraces

Jamacha-Lomita

Paradise Hills

Skyline

Sorrento Hills (SH)

Carmel Valley

Southeastern San Diego (SSD)

Chollas View

Emerald Hills

Encanto

Grant Hill

Jamacha/Lomita

Capital Improvements Program

Community Planning Areas and Policing Neighborhoods, Continued

Southeastern San Diego (SSD), continued

Lincoln Park
Logan Heights
Mountain View
Mount Hope
Shelltown
Sherman Heights
Skyline
Southcrest
Stockton
Valencia Park

Sub Area 2 (North City Future Urbanizing Area) (FUA)

North City

Tia Juana River Valley (TRV)

Tia Juana River Valley

Tierrasanta (TIR)

Tierrasanta

Torrey Highlands (TH)

Black Mountain

Torrey Pines (TP)

Del Mar Heights

Torrey Pines

University (NUC)

Alta Vista

Sorrento Valley

University City

Uptown (UPT)

Hillcrest

Midtown

Mission Hills

Park West

University Heights

Via de la Valle (VV)

North City

Capital Improvements Program

The City's Progress Guide and General Plan

Planning is critical to assist a city in its evolution, as well as to protect the health, safety, and welfare of its residents. Recognizing this, the State of California requires each city to have a General Plan to guide its future and mandates through the Government Code that the plan be periodically updated to ensure relevance and utility. In 1979, the City Council adopted the most recent Progress Guide and General Plan, with its basic goal of the "fostering of a physical environment in San Diego that will be most congenial to healthy human development." The plan establishes an encompassing framework of policies that address Citywide issues of growth management and development, and offers a comprehensive strategy for major public concerns including housing, redevelopment, land conservation, parks, streets, libraries, public safety, and other public facilities.

In 1990 the "Guidelines for Future Development" were adopted as a new chapter of the Progress Guide and General Plan. This chapter established a "tier system" of growth management that primarily guided the development of new communities on vacant land and established redevelopment and reinvestment goals in the older, urbanized communities.

Community Plans

The City's community plans contain additional detailed planning guidance, and represent the Land Use Element of the Progress Guide and General Plan. Community plans establish specific recommendations and objectives in a given community for future land uses and public improvements. The community plan provides a long-range physical development guideline for elected officials and citizens engaged in community development. Citizen involvement has been a long-standing concept in the City of San Diego. In the 1960s and 1970s, the City Council adopted policies that established and recognized community planning groups as formal mechanisms for community input in the decision making processes. Community planning

groups provide citizens with an opportunity for involvement in advising the City Council, the Planning Commission, and other decision makers on development projects, community plan amendments, rezoning projects, and public facilities. The recommendations of the planning groups are integral components of the planning process, and are highly regarded by the City Council and staff.

The general and community plans are policy documents, which require regulatory tools and programs to help implement their goals and standards. The implementation tools for planning documents include the Municipal Code, the Multiple Species Conservation Program (MSCP), zoning, Neighborhood Code Compliance, facilities financing plans, and redevelopment plans. These regulations and programs help guide land use, development, and design.

The City of Villages and Strategic Framework Element

The Strategic Framework Element proposes a "City of Villages" strategy. The draft Strategic Framework Element is intended to replace the 1990 Guidelines for Future Development and to guide the update of the 1979 Progress Guide and General Plan as well as the City's community plans. The 1990 guidelines primarily addressed the development of vacant land and were largely successful in ensuring that new communities were built with adequate public facilities. However, the guidelines did not focus on an implementation program to provide public facilities upgrades concurrent with infill growth in the older communities. The guidelines are now largely out of date given that less than ten percent of the City's developable, vacant land remains, and new strategies are needed to address existing public facilities shortfalls and growth pressures. The draft

Capital Improvements Program

Strategic Framework Element provides a new approach on how to meet housing and employment needs and to preserve and enhance San Diego's existing neighborhoods.

Through over a decade of public meetings focused on the future of San Diego and more than 150 public meetings held specifically to gather input to help formulate the vision and values incorporated in the Strategic Framework Element. The City of Villages is the strategy embodied in the draft element. This new chapter of the General Plan would set the City's long-term policy for growth and development. It calls for growth to occur in compact, mixed-use centers linked by transit. It encourages high quality, infill development to enhance existing neighborhoods and meet future needs.

The term "village" is defined as a community-oriented center where residential, commercial, employment and civic/education uses are integrated. Villages are intended to be unique to the community, pedestrian-friendly, and have elements to promote neighborhood or civic gatherings. The land use mix includes public spaces and a variety of housing types and densities. Villages would require upgraded public facilities and amenities to meet community needs. Increased transit services are essential in order to meet mobility goals. The element includes a City of Villages map that identifies a hierarchy of villages to be located throughout the City. Village categories include: Downtown San Diego, Sub-regional Districts, Urban

Village Centers, Neighborhood Village Centers, and Transit Corridors.

The Strategic Framework Element would be accompanied by a Five-Year Action Plan. The Action Plan is the implementation program for updating the General Plan and executing the City of Villages growth strategy. In addition, three pilot villages will be selected to demonstrate how the City of Villages can be realized. A major challenge to implementing the plan will be to secure new financing sources to pay for needed public facilities in the older, urbanized communities.

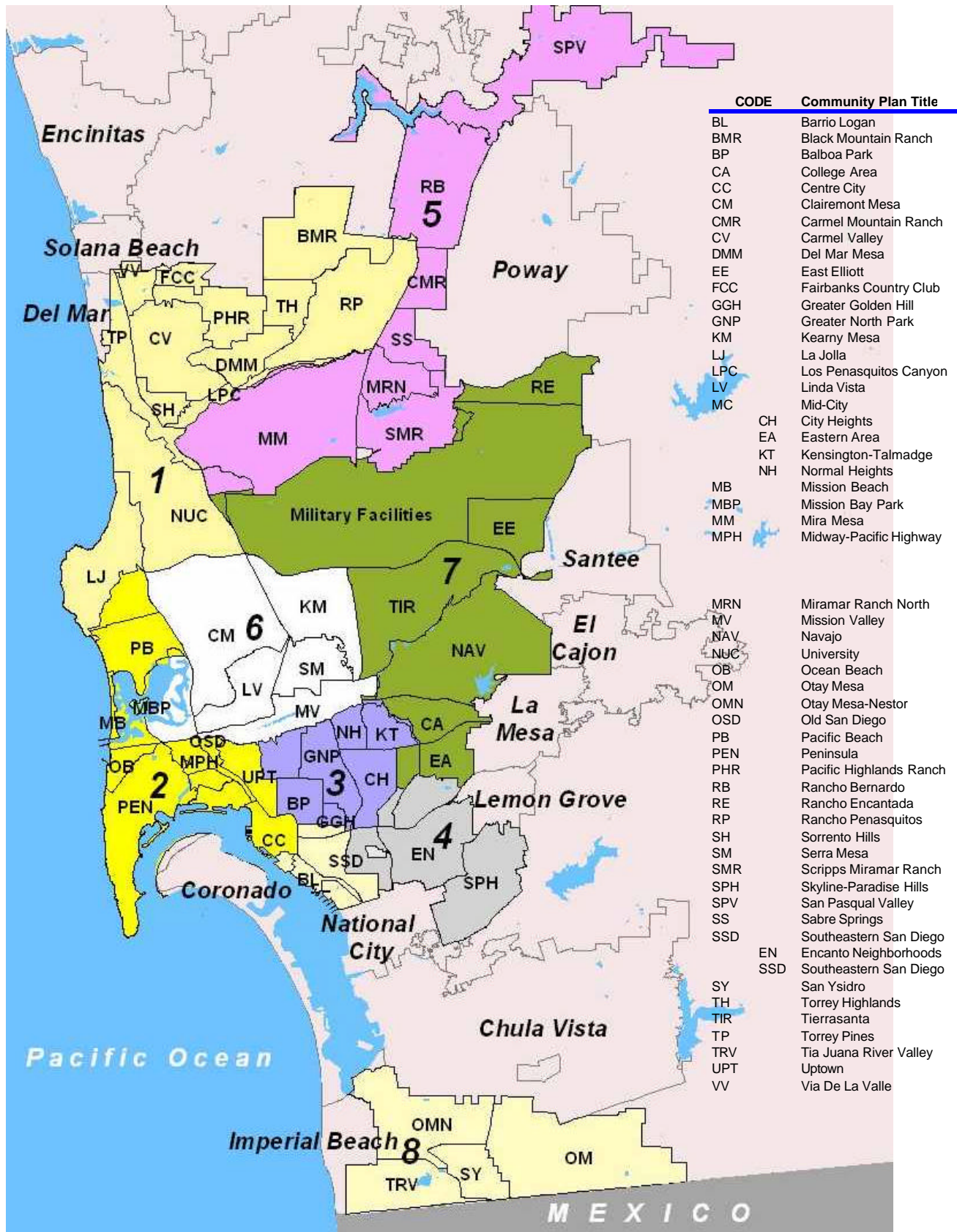
CIP Conformance to the City's Progress Guide and General Plan and Community Plans

The vast majority of capital improvement projects are consistent with the relevant community plan(s) and public facilities financing plans. Most projects are also in conformance with the City's Progress Guide and General Plan of 1979. Those few projects that are not consistent with the relevant community plan(s) or the City's Progress Guide and General Plan will include a community plan amendment as part of the approval process.

Capital Improvements Program



Capital Improvements Program



Capital Improvements Program

Revenue Sources

The Capital Improvements Program uses a variety of revenue sources to fund projects. This section outlines some of the more common revenue sources used in the Fiscal Year 2006 Capital Improvements Program Budget.

Capital Outlay

The Capital Outlay Funds are used exclusively for the acquisition, construction and completion of permanent public improvements, replacement or reconstruction of public facilities, including buildings, real property, and other improvements of a permanent character. Repair or maintenance expenditures cannot be made from the Capital Outlay Funds. Revenue for the Capital Outlay Funds is derived primarily from an annual Sales Tax allocation, but it can come from other sources per Section 77 of the San Diego City Charter.

City General Fund

Some allocations to the Capital Improvements Program budget are budgeted within the Operating Budget. The Park and Recreation Department has several projects totaling \$446,955 allocated from the General Fund in Fiscal Year 2007.

Community Development Block Grants (CDBG)

Community Development Block Grant (CDBG) funding is programmed in accordance with Council Policy 700-2 (approved August 15, 1983). Capital Improvements Program priorities are developed irrespective of CDBG funding to be received by the City. CDBG funding is to be used to supplement the City's CIP program and not as a substitute for other City funding. Only projects with approved CDBG funding are submitted for inclusion in the CIP budget.

In addition, certain projects have allocations of Housing and Urban Development Section 108 loan funding. These loans are received during the

fiscal year, and they are paid back in anticipation of future Community Development Block Grant receipts.

Development Impact Fees (DIF)

Within urbanized communities that are near buildout, Development Impact Fees (DIF) are collected to mitigate the impact of new development through provision of a portion of the financing needed for identified public facilities and to maintain existing levels of service for that community. Development Impact Fees levied in Planned Urbanizing Areas are known as Planned Urbanizing Development Impact Fees (PDIF).

Enterprise Funds

Enterprise Funds account for specific services that are funded directly by fees and charges to users. These include the services provided by the Water and Metropolitan Wastewater Departments, Development Services, Environmental Services, Airports, and Golf Course operations. Typically these funds are intended to be fully self-supporting and are not subsidized by any general revenue or taxes. Within each Enterprise Fund, budgets are developed which are sufficient to fund current year operations and maintenance expenses, as well as provide for current and future years' upgrade, replacement and expansion-related capital construction requirements.

Enterprise Fund budgets typically provide for the accumulation of revenues over several years to fund major capital projects or stabilize fees and charges. Current and anticipated user charges and other revenue streams are analyzed to determine whether they are sufficient to meet proposed funding requirements; if not, adjustments are required. Adjustments may take the form of rate increases, changes in anticipated use of debt, operating budget reductions and/or capital budget reductions or rescheduling.

Capital Improvements Program

Facilities Benefit Assessment

A Facilities Benefit Assessment (FBA) provides 100% of funds for public facilities projects that service a designated area of benefit and are identified in the Public Facilities Financing Plan (PFFP). The dollar amount of the assessment is based upon the cost of each public facility equitably distributed over a designated area of benefit in the community planning area. Liens are recorded with the County Assessor's Office.

At the time of building permit issuance, property being developed is assessed an amount determined by the type and size of the development for the permit to be issued. Monies collected are placed in a City revenue account, used solely for those major public facilities shown in the financing plan for the area of benefit. The same timing for collection of fees applies to both Facilities Benefit Assessments and to Development Impact Fees.

Gas Tax

The Gas Tax Fund is the result of a combination of laws that tax the use of gasoline. The current total tax on fuel is \$0.18 per gallon. The City of San Diego's share of Gas Tax revenue is based on a formula using vehicle registration, assessed valuation, and population. The funding generated is used to perform citywide repairs and restoration to existing roadways, reduce congestion, improve safety and provide for the construction of needed facilities within the public rights-of-way.

Infrastructure Improvement Fund

The Infrastructure Improvement Fund was allocated to the Mayor and eight Council Districts as part of the Fiscal Year 2002 Budget. Funding is appropriated in various capital improvement projects for the purpose of funding capital improvements and major maintenance of streetlights, sidewalks, traffic signals, libraries,

parks and recreation facilities, and roadways or other purposes as identified by the Mayor or individual Council District.

QUALCOMM Stadium

QUALCOMM Stadium, built in 1967, has hosted many entertainment and sporting events. The Stadium Operating Fund is based on receipts from these events.

Storm Drain

Storm Drain fees were implemented by the City of San Diego in 1990 and are collected as part of all water and sewer utility bills. The revenue collected is expended for operation and maintenance of storm drains, construction of capital projects and the general management of the storm drain system, including monitoring the system for silt, toxic material and related pollutants.

Transient Occupancy Tax

Transient Occupancy Tax (TOT) is a tax levied on the hotel/motel room rent of visitors staying in San Diego for less than one month. A one and one-half cent rate increase became effective in August 1994, which increased the TOT rate to ten and one-half percent. The equivalent of five and one-half of the ten and one-half cents of TOT collected is allocated directly to the General Fund for general government-related purposes. An amount equivalent to five cents of TOT is allocated for various promotional and other purposes as designated by City Council policy and through the Special Promotional Programs budget. Eligible organizations may submit TOT funding requests annually. In addition, a portion of the City's TOT is allocated toward Coastal Infrastructure projects. These funds are allocated to projects during the fiscal year through City Council Action.

Capital Improvements Program

TransNet

On November 7, 1987, voters in San Diego County approved the San Diego Transportation Improvement Program (TransNet), which allowed for a half-cent increase in the local sales tax (Proposition A). The term of this program is for 20 years, ending in 2008. The City of San Diego's share of TransNet revenue is based on population and the number of local street and road miles maintained. The funds generated are used to perform Citywide transportation improvements such as repair and restoration of existing roadways and construction of needed facilities within the public rights-of-way. Through a cooperative effort with the San Diego Association of Governments, the City of San Diego is able to manage the fund so that the most pressing transportation problems are addressed. In November 2004, San Diego County voters approved a 40-year extension of the existing half-cent sales tax increase for transportation improvements for the entire region. These additional monies will be used for highway,

transit, and local road improvements throughout the region.

The City utilizes TransNet cash for projects as much as possible in an attempt to minimize the issuance of bonds due to the high costs associated with debt service. In an attempt to further minimize debt service costs, the issuance of TransNet Commercial Paper is utilized when feasible. TransNet Commercial Paper is a borrowing tool used to raise cash needed to cover cash-flow deficits and is generally viewed as a lower-cost alternative to bank loans. TransNet Commercial Paper funding gives the City an opportunity to build projects and make improvements now versus waiting until sufficient cash is accumulated.

This also allows the City to build projects at current costs rather than escalated costs in the future. Because TransNet funding is projected to be available in future years, the issuance of TransNet Commercial Paper will not negatively impact other transportation projects.

TransNet Infrastructure Fund

The TransNet Infrastructure Fund was allocated to the Mayor and eight Council Districts as a result of the Fiscal Year 2003 Budget Deliberations. Funding is appropriated in various capital improvement projects for the purpose of funding capital improvements and major maintenance of streetlights, sidewalks, traffic signals, and roadways or other TransNet-eligible projects as identified by the Mayor or individual Council District.

TransNet – Other Funding

Some TransNet funding is restricted to specific uses. Some of the restricted funding is used for projects involving bikeways, the Walkable Communities Demonstration Program, older communities, and livable neighborhoods.

Unidentified Funding

Some projects may have funding identified for the budget fiscal year but none identified in the outlying fiscal years. These projects display an "unidentified funding" revenue source in the project pages. Each project with an unidentified amount is summarized in each department's Unfunded Needs List.

Other Funding

Grants and Reimbursements

Some projects are totally or partially funded by grants and reimbursements from the federal and state government and other agencies. The receipts of certain grants and reimbursements follow the award of contracts; City funding is programmed for front-end financing of the total costs. Grant funding

Capital Improvements Program

includes state and federal grants and grants from proceeds from state bond issuances. Specific grant sources of funding include: Congestion Mitigation Air Quality (CMAQ), Highway Bridge Replacement and Repair (HBRR), State and Local Partnership (S/L), Surface Transportation Program (STP), Proposition 14/State Library Bond Act, and other granting opportunities.

Private Contributions and Donations

Other projects may be funded by contributions and/or donations from private sources, such as residents, developers, private organizations, businesses, and others. Occasionally, contributions by developers and vendors may be reimbursed by City funds in future years.

Public/Private Partnerships

In addition, the City has an established donation matching funds program in the Park and Recreation Department that encourages the private sector to match City contributions to various capital improvement projects.

Capital Improvements Program

Summary of Project Changes

The Summary of Project Changes provides a project-by-project comparison between the Annual Fiscal Year 2005 Budget and the Annual Fiscal Year 2006 Budget. All projects that appeared in the Fiscal Year 2005 Annual Budget are represented in the Summary of Project Changes. Projects are sorted by department and improvement type, then listed alphabetically. Some projects do not have any changes between Fiscal Year 2005 and Fiscal Year 2006, and these are noted as such. Other projects have been completed, deferred, or canceled. These projects are also noted in the Summary of Project Changes.

All remaining projects, as well as new projects, are shown with a brief description of the change. Changes may have resulted from modifications to the project scope, prior City Council Action (Resolutions and/or Ordinances), changes to a community's Public Facilities Financing Plan, total project cost adjustments, and/or revised revenue

sources. Each project listed on the Summary of Project Changes shows the CIP Project Number, CIP Project Title, Fiscal Year 2006 Budget, Total Project Cost, and a description of the change.

Unfunded Needs List

The Unfunded Needs List for each department provides the Mayor and City Council with a concise list of projects that are partially funded or not funded in the Annual Fiscal Year 2006 Budget. Arranged in the same order as the Summary of Project Changes, this list provides CIP Project Number, CIP Project Title, how much funding is required for the project to be initiated in Fiscal Years 2006 and 2007, and for the project to continue or be completed in Fiscal Years 2008 through 2016, and any clarifying comments. If a project has a project sheet and also appears in the Unfunded Needs List, the amount required will match the "Unidentified Funding" line in the Expenditures by Revenue Source table.